

SBC - SWBT**ORIGINAL VS. REVISED TANDEM SWITCHED TRANSPORT RATE DEVELOPMENT**

ORIG. MIN REVISED MI	9,000 10,785			ORIG AMOUNT	REVISED AMOUNT
LINE	DESCRIPTION	SOURCE			
1	DS3 CHANNELL MILEAE FIXED RATE			\$966.80	\$966.80
2	DS3 MUX RATE			\$942.24	\$942.24
3	DS3 FIXED SUM RATE	(LN1 +LN2)		\$1,909.04	\$1,909.04
4	DS3 ASSUMED MOU PER TRUNK	('MIN *672)		6,048,000	7,247,520
5	DS3 FIXED RATE PER MOU EQUIVALENT			\$0.000316	\$0.000263
6	FIBER DEPLOYMENT PERCENT			80.07%	80.07%
7	DS3 WEIGHTED FIXED RATE PER MOU EQUIVALENT	(LN 5 * LN6)		\$0.000253	\$0.000211
8	DS3 CHANNELL MILEAE PER MILE RATE			\$122.50	\$122.50
9	DS3 ASSUMED MOU PER TRUNK	('MIN *672)		6,048,000	7,247,520
10	DS3 PER MILE RATE PER MOU EQUIVALENT	9LN8/LN9)		\$0.000020	\$0.000017
11	FIBER DEPLOYMENT PERCENT			80.07%	80.07%
12	DS3 WEIGHTED FIXED RATE PER MOU EQUIVALENT	(LN10*LN11)		\$0.000016	\$0.000014
13	DS1 CHANNELL MILEAE FIXED RATE			\$54.74	\$54.74
14	DS1 ASSUMED MOU PER TRUNK	('MIN *24)		216,000	258,840
15	DS1 FIXED RATE PER MOU EQUIVALENT	(LN13/LN14)		\$0.000253	\$0.000211
16	COPPER DEPLOYMENT PERCENT			19.93%	19.93%
17	DS1 WEIGHTED FIXED RATE PER MOU EQUIVALENT	(LN15*LN16)		\$0.000050	\$0.000042
18	DS1 CHANNELL MILEAE PER MILE RATE			\$22.37	\$22.37
19	DS1 ASSUMED MOU PER TRUNK	('MIN *24)		216,000	258,840
20	DS1 PER MILE RATE PER MOU EQUIVALENT	(LN18/LN19)		\$0.000104	\$0.000086
21	COPPER DEPLOYMENT PERCENT			19.93%	19.93%
22	DS1 WEIGHTED FIXED RATE PER MOU EQUIVALENT	(LN20*LN21)		\$0.000021	\$0.000017
23	TANDEM SWITCHED TRANSPORT RATE PER MOU	(LN7+LN17)		\$0.000303	\$0.000253
24	TANDEM SWITCHED TRANSPORT RATE PER MINUTE	(LN12+LN22)		\$0.000037	\$0.000031

NEWTNDM

SBC - PACIFIC

ORIGINAL VS. REVISED TANDEM SWITCHED TRANSPORT RATE DEVELOPMENT

ORIG. MIN 9,000
REVISED MI 5,854

LINE	DESCRIPTION	SOURCE	ORIG AMOUNT	REVISED AMOUNT
FIXED PER MINUTE OF USE				
1	DS1 MILEAGE FIXED		\$90.99	\$90.99
2	DS3 MILEAGE FIXED		\$721.96	\$721.96
3	MQ3 MULTIPLXOR		\$443.74	\$443.74
4	MOU PER CHANNEL		9,000	5,854
5	#CHANNELS/DS1		24	24
6	#CHANNELS/DS3		672	672
7	%COPPER		40.8228%	40.8228%
8	%FIBER		59.1772%	59.1772%
9	RATE	$(L1/(L4*L5))*L7+((L2+L3)/L4*L6))*L8$	\$0.000286	\$0.000440
PER MINUTE PER MILE				
10	DS1 MILEAGE PER MILE		\$21.66	\$21.66
11	DS3 MILEAGE PER MILE		\$37.87	\$37.87
12	RATE	$(L10/(L4*L5))*L7+((L11/(L4*L6))*L8$	\$0.000045	\$0.000069

SBC - NEVADA

ORIGINAL VS. REVISED TANDEM SWITCHED TRANSPORT RATE DEVELOPMENT

ORIG. MIN 9,000
REVISED MI 10,855

DESCRIPTION	ORIG AMOUNT	REVISED AMOUNT
TANDEMS SWITCHED TRANSPORT RATE DEVELOPMENT - FIXED RATE		
1 DS1 FIXED RATE	\$114.46	\$114.46
2 DS1 MOUS	216,000	260,520
3 DS1 WIEIGHTING	0.4552	0.4552
4 DS3 FIXED RATE	\$430.42	\$430.42
5 DS3 MULTIPLEXING RATE	\$617.31	\$617.31
6 DS3 MOU	6,048,000	7,294,560
7 DS3 WIEIGHTING	0.5448	0.5448
8 RATE (LN1+LN3/LN2)+((LN4+LN5)*LN7/LN6)	\$0.000336	\$0.000278
TANDEMS SWITCHED TRANSPORT RATE DEVELOPMENT - PER MILE RATE		
1 DS1 PER MILE RATE	\$11.25	\$11.25
2 DS1 MOUS	216,000	260,520
3 DS1 WIEIGHTING	0.4552	0.4552
4 DS3 MILEAGE RATE	\$46.52	\$46.52
5 DS3 MOU	6,048,000	7,294,560
6 DS3 WIEIGHTING	0.5448	0.5448
7 RATE (LN1*LN3/LN2)+(LN4*LN6/LN5)	\$0.000028	\$0.000023

SBC - SWBT**INDEX AND REVENUE EFFECT**

TANDEM FIXED DEMAND	11,586,109,850
ORIGINAL RATE	\$0.000303
ADJUSTED ORIG. RATE	\$0.000301
RAF	0.993399
ADJUSTED ORIGINAL REVS.	\$3,487,419
REVISED RATE	\$0.000253
ADJUSTED REVISED RATE	\$0.000251
REVISED REVS	\$2,911,937
CHANGE	(\$575,482)
TANDEM PER MILE DEMAND	327,418,458,212
ORIGINAL RATE	\$0.000037
ORIGINAL REVS.	\$12,114,483
REVISED RATE	\$0.000031
REVISED REVS	\$10,149,972
CHANGE	(\$1,964,511)
TOTAL CHANGE	(\$2,539,992)
TOTAL ORIGINAL TANDEM REVS	\$25,927,425
REVISED REVS	\$23,387,432
PERCENT CHANGE	-9.7965%
ORIG. RIC REVS	\$210,891,452
ADJUSTED RIC REVS	\$205,089,623
ADJUSTMENT FACTOR	0.972489
REVISED REVS	\$213,431,445
ADJUSTED REVISED REVS	\$207,559,738
PERCENT CHANGE	1.2385%
6-30-97 TIC SBI	88.6533
REVISED 6-30-97 TIC SBI	97.3383
6-30-97 TNDM SBI	94.0363
REVISED 6-30-97 TNDM SBI	95.2009

SBC - PACIFIC**INDEX AND REVENUE EFFECT**

TANDEM FIXED DEMAND	5,413,950,492
ORIGINAL RATE	\$0.000286
ORIGINAL REVS.	\$1,548,525
REVISED RATE	\$0.000440
REVISED REVS	\$2,380,719
CHANGE	\$832,193
TANDEM PER MILE DEMAND	81,198,059,397
ORIGINAL RATE	\$0.000045
ORIGINAL REVS.	\$3,624,813
REVISED RATE	\$0.000069
REVISED REVS	\$5,572,825
CHANGE	\$1,948,012
TOTAL CHANGE	\$2,780,205
TOTAL ORIGINAL TANDEM REVS	\$14,173,412
REVISED REVS	\$16,953,617
PERCENT CHANGE	19.6156%
ORIG. RIC REVS	\$116,643,523
REVISED REVS	\$113,863,318
PERCENT CHANGE	-2.3835%
6-30-97 TIC SBI	87.8400
REVISED 6-30-97 TIC SBI	89.9337
6-30-97 TNDM SBI	91.3110
REVISED 6-30-97 TNDM SBI	109.2222
6-30-97 TNDM ZN 1 SBI	87.4802
REVISED 6-30-97 TNDM ZN 1 SBI	104.6400
6-30-97 TNDM ZN 2 SBI	93.7956
REVISED 6-30-97 TNDM ZN 2 SBI	112.1942
6-30-97 TNDM ZN 3 SBI	94.9591
REVISED 6-30-97 TNDM ZN 3 SBI	113.5859

SBC - NEVADA**INDEX AND REVENUE EFFECT**

TANDEM FIXED DEMAND	790,494,043
ORIGINAL RATE	\$0.000336
ORIGINAL REVS.	\$265,284
REVISED RATE	\$0.000278
REVISED REVS	\$219,950
CHANGE	(\$45,334)
TANDEM PER MILE DEMAND	18,699,452,785
ORIGINAL RATE	\$0.000028
ORIGINAL REVS.	\$521,693
REVISED RATE	\$0.000023
REVISED REVS	\$432,541
CHANGE	(\$89,152)
TOTAL CHANGE	(\$134,486)
TOTAL ORIGINAL TANDEM REVS	\$1,300,320
REVISED REVS	\$1,165,834
PERCENT CHANGE	-10.3425%
ORIG. RIC REVS	\$5,275,070
REVISED REVS	\$5,409,556
PERCENT CHANGE	2.5495%
6-30-97 TIC SBI	79.6994
REVISED 6-30-97 TIC SBI	81.7313
6-30-97 TNDM SBI	86.8487
REVISED 6-30-97 TNDM SBI	77.8664

SBC COMPANIES
MUX EFFECT ON TANDEM RATES

LINE	DESCRIPTION	SWBT		PACIFIC		NEVADA	
		WITH MUX	W/O MUX	WITH MUX	W/O MUX	WITH MUX	W/O MUX
1	DS3 CHANNELL MILEAE FIXED RATE	\$966.80	\$966.80	\$721.96	\$721.96	\$430.42	\$430.42
2	DS3 MUX RATE	\$942.24	\$0.00	\$443.74	\$0.00	\$617.31	\$0.00
3	DS3 FIXED SUM RATE	\$1,909.04	\$966.80	\$1,165.70	\$721.96	\$1,047.73	\$430.42
4	DS3 ASSUMED MOU PER TRUNK	7,247,520	7,247,520	3,933,888	3,933,888	7,294,560	7,294,560
5	DS3 FIXED RATE PER MOU EQUIVALENT	\$0.000263	\$0.000133	\$0.000296	\$0.000184	\$0.000144	\$0.000059
6	FIBER DEPLOYMENT PERCENT	80.07%	80.07%	59.18%	59.18%	54.48%	54.48%
7	DS3 WEIGHTED FIXED RATE PER MOU EQUIVALENT	\$0.000211	\$0.000107	\$0.000175	\$0.000109	\$0.000078	\$0.000032
13	DS1 CHANNELL MILEAE FIXED RATE	\$54.74	\$54.74	\$90.99	\$90.99	\$114.46	\$114.46
14	DS1 ASSUMED MOU PER TRUNK	258,840	258,840	140,496	140,496	260,520	260,520
15	DS1 FIXED RATE PER MOU EQUIVALENT	\$0.000211	\$0.000211	\$0.000648	\$0.000648	\$0.000439	\$0.000439
16	COPPER DEPLOYMENT PERCENT	19.93%	19.93%	40.82%	40.82%	45.52%	45.52%
17	DS1 WEIGHTED FIXED RATE PER MOU EQUIVALENT	\$0.000042	\$0.000042	\$0.000264	\$0.000264	\$0.000200	\$0.000200
23	TANDEM SWITCHED TRANSPORT RATE PER MOU	\$0.000253	\$0.000149	\$0.000440	\$0.000373	\$0.000278	\$0.000232

Exhibit TICALC

	<u>AT&T METHOD</u>	<u>SBC METHOD</u>
(1) CURRENT TIC CAP	N/A	2,623,638
(2) 6/30/97 TIC	5,551,832	N/A
(3) TOTAL TIC REMOVAL COSTS *	2,561,838	2,561,838
(4) RECALCULATED (ESTIMATED) TIC (L1 or L2 - L3)	2,989,994	61,800 **
(5) FACILITIES-BASED TIC	1,569,141	1,569,141
(6) RESIDUAL TIC (L4 - L5)	1,420,853	N/A
(7) ANNUAL FILING TIC TARGETING	2,971,340	N/A
(7A) CORRECTED AF TIC REDUCTION ***	2,928,354	N/A
(8) AT&T's EXCESS TARGETING (L7 - L6)	1,550,487	N/A
(8A) CORRECTED EXCESS TARGETING (L7A - L6) or (L5 - L4)	1,507,501	1,507,341
(9) DIFFERENCE	160	(160)

* AT&T erroneously claimed (fn. 2) that GSF costs were not included. GSF costs were included in the TIC's portion of undesignated Trunking basket's costs.

** SBC inadvertently showed this amount as a negative amount in its D&J Section 17.

*** AT&T should have used the entire TIC revenue change in the 1997 Annual Filing rather than just the TIC targeting revenue change.